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TAGS: [EAID](#) [PREL](#) [ENRG](#) [SOCI](#) [NS](#)
SUBJECT: NATIONAL INTEREST FUELS FRENCH EXPANSION OF
DEVELOPMENT AID TO SURINAME

Classified By: Political-Economic Section Chief Geneve Menscher for reasons 1.4(b) and (d)

11. (C) Summary. The Government of France (GOF) will significantly expand its development assistance to Suriname, particularly in its economically depressed eastern district, Marowijne, which borders French Guiana. This aid will be provided mainly by the Agence Francaise de Developpement (AFD). Increased French government concern over immigration and border security are among the factors that motivated increasing funding for Suriname. End Summary.

12. (SBU) French Embassy Cooperation Attache Amelina Serra confirmed to Econoff on January 17 local media reports that France will significantly expand its development aid to Suriname. Focus areas will be health care, transportation, environment and tourism. According to the media, France provided 3.8 million Euros between 2000 and 2007 and will provide 51 million Euros from 2008 to 2010. During the meeting, Serra confirmed to Econoff that French aid will significantly increase, but said the exact amount was not final as some projects are still under discussion with the Government of Suriname (GOS).

13. (C) According to Serra, traditionally the Agence Francaise de Developpement (AFD) primarily (though not exclusively) focused aid on former French colonies, although Suriname did receive some development aid. However, the current French government's increased interest in immigration issues and border security has generated greater interest in development projects in Suriname. The AFD Cayenne Office apparently made a successful case that such projects were in the French national interest, and even took the rare step of making grants, and not just loans, to Suriname. AFD is considering posting an AFD officer to the French Embassy here. Some highlights on planned French assistance follow:

14. (SBU) The Government of France (GOF) and GOS signed a new agreement extending existing technical assistance on health care from 2008-2011 and also adding a new component -- a loan to reopen the Albina Hospital (Note: Albina is the official capital of Suriname's Marowijne District, located just across the Marowijne River from French Guiana). The GOF calculated it would cost less to improve medical facilities in Suriname than continue treating the large numbers of Surinamers who cross the border to take advantage of the free health care services in French Guiana. The loan amount also provides for constructing some local medical facilities in Suriname's interior. The French Embassy considered it a "small victory" to get the GOS to accept this aid as a loan, since the GOS

prefers grant aid.

¶5. (C) In order to stem illegal immigration to French Guiana, the AFD is studying 20-50 projects (such as improving infrastructure) that would improve the standard of living in Albina and assist the district government in re-locating from Moengo to Albina. (Note: The government offices have been located in Moengo "temporarily" since the end of the Interior War. End Note). Outside loans from the Inter-American Development Bank and others will augment the infrastructure projects.

¶6. (SBU) A study on rehabilitating the road between Albina and Paramaribo will be completed in 2008. The road construction project will be financed by the AFD, European Community (EC) and the Inter-American Development Bank. (Note: Serra underscored that twenty-five percent of EC funding is French. End Note.) The GOS has also requested construction of a bridge to link the two countries within the next few years. The GOF has started a technical study on bridge construction; however, lingering concerns over the impact of improved transportation links on immigration, international crime, and border security will continue to dampen the GOF's enthusiasm for the project. Serra estimated the bridge project is likely fifteen years in the future.

¶7. (SBU) French development aid will also be used in the energy sector. A 2007 study to determine the feasibility of connecting the energy systems of Suriname and French Guiana resulted in a two-phase plan. Phase 1 of the resulting plan, to set up a power line between Paramaribo and Albina, is ready to be implemented; Phase 2 would initiate energy-sharing between French Guiana and Suriname. Since there are no plans to build additional energy plants in French Guiana, which has energy shortages, it would benefit from energy obtained from Suriname. This has been

complicated by the Kyoto Protocol, Serra confided, because France is restricted from buying that energy generated from Suriname's mostly diesel-burning power plants. As Suriname can look to bauxite companies to develop new energy generator stations to feed their production needs for energy, Serra opined that Suriname may not have the need or political will to move forward on Phase 2 of the project.

¶8. (SBU) The French Embassy is currently developing with the GOS several law-enforcement aid projects. Jacques Bouhail, Technical Cooperation Officer, shared key elements of the plan which would focus on the Suriname-French Guiana border area. Once finalized, aid would include intensified technical cooperation on border security, setting up a firefighting/first-aid rescue unit in Albina, and English and French language courses for law enforcement officials working on security cooperation.

¶9. (C) Comment. The increased French development assistance provides a useful political opportunity for the GOS to promote economic development in the economically depressed District of Marowijne. As the District's major employer, SURALCO (wholly-owned subsidiary of U.S. aluminum giant ALCOA), begins to wind down operations in the soon-to-be depleted bauxite mines in the center of Marowijne District, this former cash cow of the country has witnessed an economic downturn. In addition to needed economic development, the GOS engagement with the GOF also gives the governing coalition a "pork barrel" means to placate rogue coalition partner (and Marowijne parliamentarian) Ronnie Brunswijk. Media coverage of the increase in French aid should foster a good perception of Suriname's neighbor to the east, provided the media does not focus on the GOF's underlying objective to discourage additional Surinamese migration. End Comment.
SCHREIBER HUGHES